



April 26, 2004

**10 C.F.R. §§ 50.80 and 50.90**

U.S. Nuclear Regulatory Commission  
Attention: Document Control Desk  
Washington, DC 20555-0001

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**Re: South Texas Project, Units 1 and 2  
Docket Nos. STN 50-498 and STN 50-499  
Facility Operating License Nos. NPF-76 and NPF-80**

**Application for Consent to Transfer Non-Operating Ownership Interest and  
Conforming License Amendments**

On April 21, 2004, STP Nuclear Operating Company ("STPNOC"), acting on behalf of AEP Texas Central Company and Cameco South Texas Project LP ("CSTP"), filed an Application pursuant to 10 C.F.R. § 50.80 requesting Nuclear Regulatory Commission ("NRC") consent to the transfer of TCC's 25.2% non-operating ownership interest in South Texas Project, Units 1 and 2, to CSTP.

The Application references Enclosures 5 and 10, which contain certain financial and contract information that is proprietary to CSTP and its parent company, Cameco Corporation. The Application includes a non-proprietary version of the financial enclosure (Enclosure 5 (NP)).

Enclosed in the full proprietary version of Enclosure 5 as well as Enclosure 10. This information supports the NRC's review of the license transfer Application. As explained in the attached declaration, this information is confidential and, accordingly, CSTP requests that Enclosures 5 and 10 be withheld from public disclosure pursuant to 10 C.F.R. § 9.17(a)(4) and the policy reflected in 10 C.F.R. § 2.390(b).

APO1

If you require additional information on this enclosure, or its proprietary status, please contact me at (306) 956-6220.

Yours truly,



Sean Quinn  
General Counsel

cc: w/out Enclosure

(paper copy)

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UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

In the Matter of: )  
 )  
STP Nuclear Operating Company ) Docket Nos. 50-498  
South Texas Project ) 50-499  
Units 1 and 2 )

DECLARATION REGARDING PROPRIETARY INFORMATION

I, Sean Quinn, General Counsel of Cameco Corporation, on behalf of Cameco South Texas Project LP (“CSTP”), do hereby affirm and state:

1. I am authorized to execute this affidavit on behalf of CSTP.
2. CSTP is providing information in support of this Application for Consent to Transfer Non-Operating Ownership Interest and Conforming License Amendments. Enclosure 5 contains CSTP’s financial projections related to the ownership and operation of STP. Enclosure 10 is the Form of the Decommissioning Agreement between CSTP and AEP Texas Central Company (“TCC”), which is included as part (Exhibit G) of the purchase and sale agreement dated as of February 27, 2004, between TCC and CSTP. These documents constitute proprietary commercial and financial information that should be held in confidence by the NRC pursuant to the policy reflected in 10 C.F.R. §§ 2.390(a)(4) and 9.17(a)(4), because:
  - i. This information is and has been held in confidence by CSTP and by CSTP’s ultimate parent company, Cameco Corporation.
  - ii. This information is of a type that is customarily held in confidence, and there is a rational basis for doing so because: Enclosure 5 contains sensitive financial information concerning projected revenues and

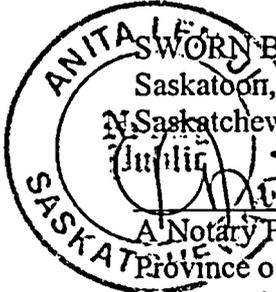
operating expenses of CSTP and its successors and affiliates; and Enclosure 10 includes commercial terms and conditions related to the purchase and sale of a nuclear asset — TCC's interest in South Texas Project, Units 1 and 2.

- iii. This information is being transmitted to the NRC in confidence.
- iv. This information is not available in public sources and could not be gathered readily from other publicly available information.
- v. Public disclosure of this information is likely to create substantial harm to the competitive position of CSTP and its parent, successors, and affiliates by disclosing negotiated commercial terms and internal financial projections.

3. Accordingly, CSTP requests that the designated documents be withheld from public disclosure pursuant to the policy reflected in 10 C.F.R. §§ 2.390(a)(4) and 9.17(a)(4).

Sean Quinn  
General Counsel

CITY OF SASKATOON )  
 )  
PROVINCE OF SASKATCHEWAN )



SWORN BEFORE ME at the City of  
Saskatoon, in the Province of  
Saskatchewan, this 21 day of April, 2004

A Notary Public in and for the  
Province of Saskatchewan

My Appointment expires Mar 31, 2006  
Or being a Solicitor —

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